

from California was correct in recognizing much of the permitting decisions are by States and not by the Federal Government. That is why we work very hard to recognize the importance of State and local groups in making those decisions.

The Environmental Council of States, which represents State departments of environmental quality, said as much. Keep in mind, this is the council that represents all the different State departments of environmental quality, as well as noting that the Gas Price Act does not weaken the environmental laws.

Similarly, the National Association of Counties stated:

It goes a long way in addressing the concerns of local governments during a refinery siting, ranging from the importance of considering local needs, concerns, and honoring a county's land use authority.

It is important to point this out because it seems that time and time again, some of the Members of this body hide behind the vague concerns over the environment in defending their failure to improve U.S. energy security. After working with a variety of stakeholders, this bill achieves both goals. It increases energy while preserving local governments and environmental quality.

The fact is, like it or not, the United States needs to increase its domestic refining capacity if we are to solve the economic struggles facing every family.

The amendment we are offering today redefines and broadens our understanding of a refinery to be a domestic fuels facility. Oil has and will continue to have a role in the U.S. economy, but the future of our domestic transportation fuel system must also include new sources, such as the ultraclean synfuels derived from coal and cellulosic ethanol derived from homegrown grasses and biomass.

Expanding the existing domestic fuels facilities or constructing new ones is a maze of environmental permitting challenges. This is what the Senator from California was talking about a few minutes ago in trying to encourage Governor Schwarzenegger to streamline this permitting process.

This amendment provides a Governor with the option of requiring the Federal EPA to provide the State with financial and technical resources to accomplish the job and establishes a certain permitting process for all parties. The public demands increasing supplies for transportation fuel, but they also expect that fuel to be good for their health and for the environment.

To that end, the amendment requires the EPA to establish a demonstration to assess the use of Fischer-Tropsch diesel and jet fuel as an emission-control strategy. Initial tests found that Fischer-Tropsch diesel significantly reduces criterion pollutants over conventional fuels and could easily be transported with existing infrastructure.

It should be noted that the ongoing tests at Tinker Air Force Base in my

home State of Oklahoma found that Fischer-Tropsch, or coal-to-liquid aircraft fuel, reduced particulates 47 to 90 percent and completely eliminated the SO_x emissions over fuels that are used today.

I might add, this is a technology that is here. It needs to be improved upon. We are currently flying a B-52 that has eight engines using this type of fuel.

Good concepts in Washington are bad ideas if no one wants them at home. As a former mayor of Tulsa, I am a strong believer in local and State control. This is something that is controversial in Washington. There are a lot of people in this body who don't think any decision is a good decision unless it is made in Washington. I am the opposite. I feel closer to the people. They should be more involved, and that is why we structured it the way we did.

The Federal Government should provide incentives rather than mandates on local communities. Increasing clean domestic fuel supplies is in the Nation's security interest, but those facilities can also provide high-paying jobs to people in towns in need.

Our amendment provides financial incentives to the two most economically distressed communities in the Nation, towns affected by BRAC and Indian tribes, to consider building both liquids and commercial scale cellulosic ethanol facilities. Here we are talking about people who have gone through the BRAC process, people who have in their States facilities that were military facilities that were closed during the base realignment and closure process.

I am very proud my State of Oklahoma is the leader in the development of the energy crops for cellulosic biofuel. The key now is to promote investment, and nothing would speed the rapid expansion of the cellulosic biofuels industry more than investments by the Nation's traditional providers of liquid transportation fuels.

We have in the State of Oklahoma the Noble Foundation, Oklahoma State University, and Oklahoma University—all very much involved in the development of cellulosic biofuels. It is a technology that is coming. We know it is. I guess what we need to do is understand, while it is coming, we still need to run this great machine called America.

Many integrated oil companies have formed and substantially expanded their biofuels divisions within the past year to prepare for the eventuality of cross-competitive cellulosic biofuels. Oil companies invest in exploration because their stock prices are affected by their declared proven reserves. Creating a definition of renewable reserves would create a similar incentive for them to invest in cellulosic biofuels.

The Energy Policy Act of 2005 directed the Department of Energy to accelerate the commercial development of oil shale and tar sands. Given the country's interest in developing renewable alternatives to fossil fuel, it is

logical that the SEC would develop criteria in cooperation with biomass feedstock sources in its hierarchy at the same time.

This is Congress's least expensive way to jump-start the cellulosic biofuels industry. Increasing capacity to produce clean fuels at home is critical in making America more secure. Passing the Gas Price Act would be a material and substantive action toward this majority's stated goal of energy independence. To vote against it underscores something altogether. They like higher gas prices at the pump.

What we are talking about is something that is permissive. It allows States to opt out, if they want, and it streamlines the permitting process. It requires EPA to establish a demonstration to assess the use of Fischer-Tropsch diesel and jet fuels. It will help in our refining capacity, if we are talking about refineries for petroleum or refineries for biofuels or any other kinds of refineries.

To have a comprehensive Energy bill, we need to do what we have done, what we have already done in this bill, but the problem is here today, as was pointed out by the Senator from New Mexico. We have a supply problem, and that supply problem is here and now. The gas price amendment to expand our refining capacity would dramatically and immediately relieve that problem.

Mr. DOMENICI. Will the Senator yield?

Mr. INHOFE. Again, there are two supply problems—one in production and one in refining capacity.

I will be glad to yield.

Mr. DOMENICI. Madam President, I told Senator BINGAMAN that I have to leave the floor for about 20 to 25 minutes, and I need somebody here.

Mr. INHOFE. I will be happy to do it. Let me repeat what I told Senator BINGAMAN privately. I have no intention of bringing up this amendment for a vote now. We will set this amendment aside for other amendments and then hopefully we will have several lined up tomorrow. I think tomorrow we will start these votes.

Mr. DOMENICI. That is what I wanted to tell the Senator. Madam President, can the Senator from Oklahoma stay in my stead?

Mr. INHOFE. Madam President, I will stay in his stead.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Madam President, I know there are others waiting to speak. I don't want to delay the proceedings greatly, but I do have some concerns. I would like to ask a couple of questions of the amendment sponsor, if I can.

Mrs. BOXER. Will the Senator yield to me for a question?

Mr. BINGAMAN. Yes, I am glad to yield.

Mrs. BOXER. Because there is so much concern about this amendment